

January 5, 2000

D.T.E. 97-120-E

Petition of Western Massachusetts Electric Company pursuant to General Laws Chapter 164, §§ 76 and 94, and 220 C.M.R. §§ 1.00 et seq., for review of its electric industry restructuring proposal.

ORDER ON COMPLIANCE TARIFFS

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I. INTRODUCTION

On September 17, 1999, the Department of Telecommunications and Energy ("Department") issued an Order on the Company's restructuring plan. Western Massachusetts Electric Company, D.T.E. 97-120, Order on Restructuring Plan (1999). On October 18, 1999, Western Massachusetts Electric Company ("WMECo" or "Company") submitted its compliance filing.⁽¹⁾ On December 20, 1999, the Department issued an Order on the Company's compliance filing with respect to its distribution rates and transition costs. Western Massachusetts Electric Company, D.T.E. 97-120-B, Order on Compliance Filing (1999). On December 30, 1999, the Department issued an Order approving the Company's standard offer solicitations. Western Massachusetts Electric Company, D.T.E. 97-120-D, Order on Standard Offer Compliance Filings (1999). On December 31, 1999, the Company submitted tariffs in compliance with the Department's Orders in D.T.E. 97-120-B and D.T.E. 97-120-D for service on and after January 1, 2000.⁽²⁾

The December 31, 1999 compliance tariffs include changes in the distribution, standard offer and default service and transition charge rates consistent with the Department's December 20, 1999 Order on Compliance Filing, D.T.E. 97-120-B, and the Department's December 30, 1999 Order on Standard Offer Compliance Filings, D.T.E. 97-120-D. The December 31, 1999 compliance tariffs provide a 15 percent rate reduction for all customer classes, adjusted for inflation through June 30, 2000.

The Company expects to make a transition charge reconciliation filing in the first quarter of 2000 with transition costs recovery reconciled to March 1, 1998. Accordingly, the transition charge is subject to further review and reconciliation pursuant to the Department's Order in D.T.E. 97-120-B. Consistent with the Department's directives, the inflation adjustment will be reconciled in the Company's next reconciliation filing (December 17, 1999 Letter at 6).

II. ORDER

Accordingly, after due notice, hearing and consideration, it is

ORDERED: That the tariffs submitted by Western Massachusetts Electric Company for electric service beginning on January 1, 2000, M.D.T.E. Nos. 1000F through 1013F, 1015D, 1025D, 1026D, 1034A, and 1035A be and hereby are APPROVED.

By Order of the Department,

Janet Gail Besser, Chair

James Connelly, Commissioner

W. Robert Keating, Commissioner

Paul B. Vasington, Commissioner

Eugene J. Sullivan, Jr., Commissioner

1. Pursuant to the Department's Order in D.T.E. 97-120, on December 15, 1999, the Company submitted a compliance filing, for the Department's review with respect to the procurement of standard offer and default service. On December 21, 1999, WMECo submitted a separate compliance filing with respect to its procurement of standard offer service for customers on the Company's interruptible rate.

2. On December 15, 1999, the Company submitted tariffs implementing an inflation adjustment. The Department docketed this matter as D.T.E. 99-113. On December 17, 1999, the Department stated that electric companies would be permitted to include an inflation adjustment through the mid-point of the year in which the rates would be in effect (December 17, 1999 Letter at 5-6). The December 31, 1999 compliance tariffs replace the tariffs proposed in D.T.E. 99-113, and the Department suspended the effective date of the December 31, 1999 compliance tariffs.